

## Message Text

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PAGE 01 STATE 051348  
ORIGIN PM-04

INFO OCT-01 ARA-06 ISO-00 TRSE-00 MC-02 AID-05 IGA-02 L-03  
DODE-00 SS-15 OMB-01 EB-08 ACDA-07 CIAE-00 INR-07  
NSAE-00 /061 R

DRAFTED BY PM/SAS:RTITUS:RG  
APPROVED BY PM/SAS:ASKOCHANЕК  
TREASURY - MR. CROSSWHITE  
ARA/CAR - MR. DE SANTILLANA (SUBS)  
-----090630Z 079002 /10  
R 082218Z MAR 77  
FM SECSTATE WASHDC  
TO AMEMBASSY PORT AU PRINCE

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E.O. 11652: N/A

TAGS:MASS, HA

SUBJECT: FY 1977 FMS FINANCING FOR HAITI

REF: PORT AU PRINCE 279

1. RE PARA 4 REFTTEL, FOLLOWING INFORMATION MAY BE PASSED TO GOH:
2. FMS FINANCING WILL BE FEDERAL FINANCING BANK (FFB) LOAN GUARANTEED BY DOD. FFB IS AN INSTRUMENTALITY OF USG UNDER DIRECTION OF SECRETARY OF TREASURY.
3. DEADLINE FOR SIGNING LOAN AGREEMENT WILL BE SEPTEMBER 30, 1977; WE HOPE, HOWEVER, THAT LOAN AGREEMENT CAN BE SIGNED SOONER TO AVOID END OF FISCAL YEAR FLAPS.

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4. DRAWDOWN PERIOD OF LOAN WOULD END 18 MONTHS FROM SIGNING OF LOAN AGREEMENT.
5. GUARANTY FEE REQUIRED FROM GOH WILL BE ONE-FOURTH OF ONE PERCENT OF FACE VALUE OF LOAN, OR \$1,250 FOR A \$500 THOUSAND LOAN. THERE ARE NO OTHER FEES OR CHARGES EXCEPT PENALTY COSTS IF THERE ARE LATE PAYMENTS.

6. FFB DETERMINES A FIXED INTEREST RATE ON EACH ADVANCE OF FUNDS BASED ON COST OF MONEY TO USG ON DAY ADVANCED PLUS A FRACTIONAL PERCENTAGE (CURRENTLY 0.125 PERCENT) TO COVER RISK, RESERVE AND ADMINISTRATIVE COSTS. AFTER ALL ADVANCES HAVE BEEN MADE, A SINGLE WEIGHTED AVERAGE INTEREST RATE IS COMPUTED FOR SUBSEQUENT APPLICATION AGAINST ALL PRINCIPAL OUTSTANDING. INTEREST WOULD BE PAID SEMI-ANNUALLY ON THE SAME CALENDAR DATES (MONTH/DAY) AS FOR PRINCIPAL REPAYMENTS, THE FIRST INTEREST PAYMENT BEING DUE WITHIN SIX MONTHS OF SIGNATURE OF LOAN IF THERE IS DRAW-DOWN OF FUNDS PRIOR TO THAT DATE.

7. WE WOULD PLAN ON A FIVE-YEAR LOAN PERIOD, INCLUDING A SIX MONTH GRACE PERIOD; PRINCIPAL WOULD BE REPAID IN 10 SEMI-ANNUAL PAYMENTS OF \$50 THOUSAND EACH.  
VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, LOANS, DEBT REPAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 08-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE051348  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RTITUS:RG  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Office:** ORIGIN PM  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Reference:** 77 PORT AU PRINCE 279  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
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**TAGS:** MASS, HA, US  
**To:** PORT AU PRINCE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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